The proviso in the FY 2007-08 budget that applies this year is as follows:

5A.21. (CHE: Need-Based Grants for Foster Youth) For the current academic year, youth in the custody of the Department of Social Services and attending a higher education institution in South Carolina are eligible for additional need-based grants funding of up to **\$2,000** above the **\$2,500** maximum. Foster youth must apply for these funds no later than May 1, of the preceding year. All other grants, both state and federal, for which these foster youth are eligible must be applied first to the cost of attendance prior to using the additional need-based grant funding. If the cost of attendance for a foster youth is met with other grants and scholarships, then no additional need-based grant may be used. The Department of Social Services, in cooperation with the Commission on Higher Education, will track the numbers of recipients of this additional need-based grant to determine its effectiveness in encouraging more foster youth to pursue a secondary education. No more than \$100,000 may be expended from currently appropriated need-based grants funding for this additional assistance.

The following provision is in permanent state code:

SECTION 59-101-345. Authority to reallocate funds between Palmetto Fellows Program and need-based grants; priority to students in custody of Department of Social Services.

In instances where the equal division of the appropriated funds between need-based grants and the Palmetto Fellows Program exceeds the capacity to make awards in either program, the Commission on Higher Education has the authority to reallocate the remaining funds between the two programs. Public and independent higher education institutions must **give first priority for need-based grants to children and young adults in the custody of the State Department of Social Services**. Institutions and the Commission on Higher Education shall accept written verification from the Department of Social Services that the child or young adult is in the custody of the Department of Social Services, and must provide the maximum amount allowed by law for that need-based grant.

Regulations:

62.470.

F. Institutions must give first priority and award the maximum allowable Need-based Grant (\$2,500 if full-time or \$1,250 if part-time) to students who are in the custody of the South Carolina Department of Social Services (DSS). However, institutions should not award the maximum amount if, by doing so, this causes the student to exceed the unmet need according to Title IV Regulations. Students who may be eligible under this provision are responsible for contacting the institution and providing official verification to the institution that he/she is in custody of DSS. Acceptable verification shall include a letter from DSS.